

politan areas Milwaukee is one of only three which do not have a comprehensive medical center.

Changes in the system were hastened by the advent of the Medicare and Medicaid programs and the increasing costs of hospital care. In providing for the billing of patients, the way was opened for the treatment of private patients. (A local philanthropist's unexpended bequest of about \$10 million for a teaching and research facility could provide the major financing for a private pavilion.

Support for the concept of a comprehensive medical center had been growing for some time, and real impetus for the idea was given at about the time of the separation of the medical school from the university by a report, entitled "Need for a Comprehensive Medical Center," issued by the Greater Milwaukee Committee, a chief civic bellwether.

A governor's task force on medical education, reporting in December 1967, called for expansion of the Marquette and University of Wisconsin medical schools and for establishment of a second medical school in Milwaukee linked to the University of Wisconsin in Milwaukee. Wisconsin is one of the states with a net annual outmigration of physicians; in ratio of doctors to population it falls below both national and midwestern averages. The task force backed the development of a "Southeastern Wisconsin Medical Center" at Milwaukee and the redevelopment of the University of Wisconsin medical center in Madison.

The Milwaukee medical center is seen by its proponents in terms of programs, not of buildings. Only in a comprehensive medical center, they argue, will there be the facilities to attract high quality teachers or to provide the programs to protect local physicians from obsolescence. A new basic sciences building is regarded as essential if the size of the medical school classes is to be increased.

The rise of a comprehensive medical center to replace the hospital for the indigent poor will mean a change in town-and-gown relations in the medical community. Until now there has been no real conflict of interest between local medical men and the medical faculty. As a medical center began to attract larger numbers of private patients, local physicians and private hospitals might begin to feel frozen out. It is not impossible that opposition to the medical center idea in its present form could develop.

Senators Discuss Postwar Economy

In the midst of a rush to complete Senate business by Christmas, the Senate Labor and Public Welfare Committee took time out last week to begin hearings on "Conversion of War Production to Peacetime Uses."

After 2 days of testimony—from economists, planners, and labor officials—the hearings were adjourned, subject to the call of the chair, and are expected to start again early in the next session of Congress.

Conversion, long a subject of scholarly interest among economists, is now beginning to be talked about more as a question of public interest. On 3–5 December, a National Conference on Social and Economic Conversion was held at M.I.T., sponsored jointly by the Science Action Coordinating Committee (an activist group particularly interested in converting M.I.T. to nondefense activity) and the Fund for New Priorities (which has sponsored several Washington conferences for members of Congress and others, most recently on the subject of environment). The M.I.T. conference brought together a wide spectrum of people, including participants from both Students for a Democratic Society and the American Telephone & Telegraph Company.

At the opening of the Senate hearings, Senator Ralph Yarborough (D-Tex.), chairman of the committee, summarized his idea of their purpose: "How can we use the productive capacity (and jobs) which fueled the war machine to make peacetime America a better place for all citizens?" After testimony from a few witnesses, however, it became clear that there was disagreement not only about how to convert but about how much defense production capacity would be available for conversion.

Reduction of Budget Is Questioned

Some witnesses aimed their remarks at the problem of adjusting the economy only to the reduction in defense spending (and increase in the civilian labor force) which would result from ending American involvement in Vietnam. Several of them noted that there would be no substantial budget reduction because the Pentagon has many projects and weapons systems that have been deferred or decelerated because of the war. Other witnesses thought in terms of a much more substantial reduction in the "war machine." Seymour Melman of Columbia, for example, favored cutting the Pentagon budget by more than half. This would, all witnesses agreed, create a substantially different economic problem.

The "how" of conversion divided the witnesses into two basic camps. Warren Smith of the University of Michigan, a member of the Council of Economic Advisors under President Johnson, took the macroeconomic view expressed in the Council's report prepared for the President in December 1968. With "suitable fiscal and monetary policies," Smith testified, "most areas and most industries will be able to make a prompt and healthy adjustment; special assistance will undoubtedly be needed in a few instances, but its magnitude should be quite modest." In answer to a question, Smith added, "I wouldn't underestimate the skill and imagination of some of these firms in reconverting to peacetime markets either." Senator Thomas Eagleton (D-Mo.) disagreed with Smith about the modesty of local problems, citing southern California. And Walter Reuther was diametrically opposed to Smith on the question of industry cooperation. Stating that corporations are "most responsive only when their profit position is threatened," Reuther recommended that an arbitrary portion—he chose 25 percent—of each company's defense profits be impounded in a conversion trust fund held by the federal government. Each contractor would be required to submit to a National Economic Conversion Commission a plan detailing how he intends to deal with the problems of conversion of his plant. Trust monies would be used toward conversion; if the firm could convert adequately for less, the remainder of the money would be refunded.

—JOEL R. KRAMER